

Special Session

Agenda Item #	9
Meeting Date	June 18, 2007
Prepared By	Suzanne Ludlow, Community and Government Liaison
Approved By	Barbara B. Matthews, City Manager

Discussion Item	Resolution Authorizing Transmittal of 2008 Legislative Action Requests to the Maryland Municipal League for Consideration
Background	<p>Each year the MML solicits legislative proposals from its member municipalities. Usually three are chosen for the League to pursue as its Legislative Priorities for the next legislative session. Requests are to be submitted by June 29 this year for consideration by the MML Legislative Committee, and, in the fall, by the municipalities as a whole.</p> <p>At the Council's Worksession of June 4, 2007, Council asked staff to prepare Legislative Action Requests (LARs) for two issues: municipal electrical aggregation and broadening municipal revenue sources. Because of the discussion the General Assembly will undertake concerning the "structural deficit," MML has an opportunity this year to increase the number of revenue options available to municipalities. The enclosed resolution not only authorizes the submission of the LARs but calls on MML to involve itself in revenue discussions that may occur prior to the opening of the 2008 Legislative Session. It also calls for MML to make MML's Legislative Committee Revenue Subcommittee a permanent subcommittee.</p>
Policy	The City Council is concerned with State policies that affect Takoma Park. MML requires action by a governing body to approve the submission of Legislative Action Requests.
Fiscal Impact	n/a
Attachments	Draft resolution and two Legislative Action Request forms.
Recommendation	Approve resolution.
Special Consideration	

Introduced By:

- DRAFT -

RESOLUTION #2007 - ____

**Resolution Authorizing Transmittal of 2008 Legislative Action Requests
To the Maryland Municipal League for Consideration**

WHEREAS, the Takoma Park City Council is charged with setting policy and pursuing legislative changes in the best interests of the Takoma Park community; and

WHEREAS, the Takoma Park is an active member of the Maryland Municipal League; and

WHEREAS, the Maryland Municipal League pursues legislative changes that would benefit Maryland municipalities; and

WHEREAS, the Council has identified proposed legislation regarding municipal electrical aggregation and urges the development of legislation to broaden municipal revenues as Maryland Municipal League Legislative Priorities for the 2008 Legislative Session.

NOW, THEREFORE, BE IT RESOLVED THAT the Council of the City of Takoma Park authorizes the City Manager to transmit Legislative Action Request forms regarding municipal electrical aggregation and broadening municipal revenues to the Maryland Municipal League for the League's consideration as 2008 legislative priorities.

AND BE IT FURTHER RESOLVED THAT the Council of the City of Takoma Park calls on the Maryland Municipal League to work to actively involve itself in any legislative discussions regarding Maryland's revenue sources that may occur before the 2008 Legislative Session begins in order to take advantage of the General Assembly's interest in addressing the State's structural deficit so as to increase the opportunities to broaden the number and type of revenue sources available to municipalities.

AND BE IT FURTHER RESOLVED THAT the Council of the City of Takoma Park calls on the Maryland Municipal League to establish the MML Revenue Subcommittee as a permanent subcommittee of the Legislative Committee to be available to consider revenue proposals as they become available.

ADOPTED THIS 18TH DAY OF JUNE, 2007.

ATTEST:

Jessie Carpenter
City Clerk

2008 MML LEGISLATIVE REQUEST

Name of Municipality, Chapter or Department submitting request: City of Takoma Park

Contact Person / Title: Suzanne Ludlow, Community and Government Liaison

Address/City/State/Zip: 7500 Maple Avenue, Takoma Park, MD 20912

Telephone number: (Work) 301-891-7229 *E-mail:* SuzanneL@takomagov.org

*Please complete this form in its entirety. Attach additional sheets, if necessary, as well as documents related to your request. **FORM MUST BE RETURNED NO LATER THAN Friday, June 29, 2007.***

INTRODUCTION

1. *Describe the problem or situation the request is intended to address:* Residential electric customers need a way to protect themselves from increasing electric costs and there is a desire in many communities to purchase electric energy from environmentally-friendly sources. Municipalities do not have the authority to serve as aggregators for their residents to help address these problems.

2. *Describe the requested legislation:* Build upon the legislation passed in 2007 (SB 400) related to electric energy regulation to permit municipal opt-out aggregation.

3. *Describe how the requested legislation would remedy the problem:* Municipalities could choose to function as aggregators when such a role would benefit their residents.

4. *The proposed legislation would address:* _____ Only your municipality
 _____ Only municipalities in your county X Only statewide municipalities
 _____ All counties and municipalities in the entire state

5. *Would the proposed remedy have a significant fiscal impact on your municipality?* It is possible that functioning as an aggregator, along with other municipalities, could permit significant utility savings for our residents.

BACKGROUND INFORMATION

1. *Could the problem be resolved by something other than a new law, i.e., action by another level of government or changes in administrative procedures?* Unknown. Study of the legislation enacted last Session would be needed. Early reviews of the legislation, however, seemed to indicate that further legislation would be required.

2. *If administrative remedies have already been pursued, what were they and what was the outcome?* There was a pilot program discussed in previous years, before the newly-enacted legislation, but it did not go anywhere.

3. *What other state and/or local agencies, if any, would be affected by this proposal?*
Unknown.

4. *Have any state agencies been contacted about the proposal? If yes, what was their reaction?*
No, but the Maryland Public Service Commission, the various utilities and the legislative officials are aware of the MML's pursuit of this legislation in recent years.

HISTORICAL INFORMATION

1. *Has the League considered this proposal in a previous year? If yes, describe any significant changes in circumstances that might improve its chances of success in 2008:* Yes, this was an MML Legislative Priority last year and was considered in several previous years. Because of the heightened interest in energy regulation, the growing familiarity with the municipal interest, and due to the legislative changes at the end of the last Session, this legislation may be more successful in 2008 when the regulatory laws are necessarily tweaked.

2. *Has this request been considered by the General Assembly in prior sessions? If yes, please provide the bill number, year, and outcome of legislation, if known:* Yes. In 2007, the legislation was submitted as HB 5 and SB 34 / HB 676. The MML has an extensive history of the topic's past legislation, gathered as part of its research on it as a Legislative Priority in 2005 and 2007.

3. *Has this proposed legislation been implemented by any other city, county or state? If yes, please describe where it has been implemented and cite any existing law or model code upon which the proposal is based:* Yes, Northern Ohio has perhaps the most well-known version. Also, the activities involved are very similar to water and sewer utility services already provided by many municipalities.

Suzanne Ludlow June 19, 2007

Signature of authorized municipal,
chapter or departmental official

Indicate the date of the meeting where the governing body of the municipality, chapter or department endorsed the request: June 18, 2007

FORM MUST BE RETURNED NO LATER THAN Friday, June 29, 2007

Return Form To: MML Legislative Committee, 1212 West Street, Annapolis, MD 21401
 ATTN: Jessica Barnes

2008 MML LEGISLATIVE REQUEST

Name of Municipality, Chapter or Department submitting request: City of Takoma Park

Contact Person / Title: Suzanne Ludlow, Community and Government Liaison

Address/City/State/Zip: 7500 Maple Avenue, Takoma Park, MD 20912

Telephone number: (Work) 301-891-7229 *E-mail:* SuzanneL@takomagov.org

*Please complete this form in its entirety. Attach additional sheets, if necessary, as well as documents related to your request. **FORM MUST BE RETURNED NO LATER THAN Friday, June 29, 2007.***

INTRODUCTION

1. *Describe the problem or situation the request is intended to address:* The State’s “structural deficit” is a topic that will be discussed intensively before and during the 2008 Legislative Session. It is imperative that MML take a leadership role in ensuring that municipal revenue sources are included and broadened in any restructuring of State revenues.

2. *Describe the requested legislation:* For revenue, municipalities in Maryland must primarily rely on property taxes, a 17% rebate of income taxes paid by its residents, grants; and inconsistent and unchallengeable tax duplication rebates or setoffs. As changes to Maryland's revenue generation structure are considered, municipalities should be lobbying strongly for the authority to establish a variety of revenue generation options for themselves. The details of the legislation are not known at this time, but recommendations and involvement of MML's Legislative Committee Revenue Subcommittee should be considered.

3. *Describe how the requested legislation would remedy the problem:* Municipalities would be allowed to address their particular fiscal needs using the tools most appropriate for their own communities.

4. *The proposed legislation would address:* _____ Only your municipality
 _____ Only municipalities in your county X Only statewide municipalities
 _____ All counties and municipalities in the entire state

5. *Would the proposed remedy have a significant fiscal impact on your municipality?* Yes.

BACKGROUND INFORMATION

1. *Could the problem be resolved by something other than a new law, i.e., action by another level of government or changes in administrative procedures?* No.
2. *If administrative remedies have already been pursued, what were they and what was the outcome?* Each year, legislation is submitted to tweak State aid for police protection, allow for broader amusement taxes, etc., without addressing substantial reform on how municipalities may generate revenue. Sometimes these small bills are approved and sometimes they are not, but the underlying structure remains strictly limited for municipalities.
3. *What other state and/or local agencies, if any, would be affected by this proposal?*
Unknown.
4. *Have any state agencies been contacted about the proposal? If yes, what was their reaction?*
No.

HISTORICAL INFORMATION

1. *Has the League considered this proposal in a previous year? If yes, describe any significant changes in circumstances that might improve its chances of success in 2008:* Several years ago, the only Legislative Priority item was protecting municipal finances. 2008 is a key year in addressing revenue issues due to the Legislature's interest in dealing with the structural deficit.
2. *Has this request been considered by the General Assembly in prior sessions? If yes, please provide the bill number, year, and outcome of legislation, if known:* Not in a comprehensive way.
3. *Has this proposed legislation been implemented by any other city, county or state? If yes, please describe where it has been implemented and cite any existing law or model code upon which the proposal is based:* Many states allow municipalities to choose from multiple sources of revenue, limited only by the political will of the municipal voters.

Suzanne Ludlow June 19, 2007

Signature of authorized municipal,
chapter or departmental official

Indicate the date of the meeting where the governing body of the municipality, chapter or department endorsed the request: June 18, 2007

FORM MUST BE RETURNED NO LATER THAN Friday, June 29, 2007

Return Form To: MML Legislative Committee, 1212 West Street, Annapolis, MD 21401

ATTN: Jessica Barnes